

**193A—19.2(542C,79GA,ch55) CPA certificates and permits to practice.** 2001 Iowa Acts, chapter 55, eliminates the distinction between CPA certificates and permits to practice. As of July 1, 2002, all persons holding CPA certificates may use the title “CPA” without the need for a separate individual permit to practice. CPAs wishing to perform attest services or use the title “CPA” in a firm name, however, may do so only within a CPA firm which holds a firm permit to practice.

**19.2(1) *Certificate holders deemed qualified.*** A person holding a CPA certificate issued in Iowa prior to July 1, 2002, is deemed to have satisfied the education, examination and experience qualifications for a CPA certificate under the Iowa Accountancy Act of 2001.

**19.2(2) *Certificates remain valid.*** CPA certificates issued prior to July 1, 2002, remain valid on and after July 1, 2002, if properly renewed and in good standing.

**19.2(3) *Biennial renewal.*** CPA certificates issued prior to July 1, 2002, will continue to be renewed on a biennial schedule:

*a.* CPA certificates held by persons whose last names begin with A to K expire on June 30, 2002, if not renewed on or prior to June 30, 2002. The biennial renewal fee for the period between July 1, 2002, and June 30, 2004, is \$100.

*b.* CPA certificates held by persons whose last names begin with L to Z expire on June 30, 2003, if not renewed on or prior to June 30, 2003. The biennial renewal fee for the period between July 1, 2003, and June 30, 2005, is \$100.

**19.2(4) *Reinstating lapsed certificates.*** A CPA certificate which has lapsed may be restored to active status at any time prior to July 1, 2002, upon the board’s receipt of a proper application accompanied by a reinstatement fee of \$100 and a renewal fee of \$25 for persons whose last names begin with A to K or \$50 for persons whose last names begin with L to Z. A person who fails to reinstate a lapsed CPA certificate to active status prior to July 1, 2002, may reinstate to active status on or after July 1, 2002, but in addition to payment of applicable renewal fees and a \$100 reinstatement fee, the applicant must satisfy continuing education requirements as described in subrule 19.4(3).

**19.2(5) *Continuing education.*** Commencing July 1, 2002, every CPA certificate holder is required to complete continuing education as a condition of certificate renewal. Continuing education requirements are described in rule 193A—19.4(79GA,ch55).

**19.2(6) *Peer review.*** Commencing July 1, 2002, a CPA certificate holder who issues compilation reports other than through a CPA or LPA firm which holds a firm permit to practice is required to complete compilation peer review as a condition of certificate renewal. Peer review requirements are described in rule 193A—19.5(542C,79GA,ch55).

**19.2(7) *Permits to practice phased out.*** As of July 1, 2002, the board will no longer issue or renew individual permits to practice as a CPA. Permits to practice will continue to be issued to CPA firms as described in subrule 19.2(9).

**19.2(8) *Attest services.*** A CPA certificate holder who is responsible for supervising attest services or who signs, or authorizes someone to sign, the accountant’s attest report on the financial statements on behalf of a CPA firm must be qualified to perform attest services. The board is in the process of developing experience and competency standards for attest services. While additional methods of attaining proper qualification may accordingly be developed, CPAs holding an individual permit to practice will qualify as follows:

*a.* A person holding or having held an individual permit to practice as a CPA issued prior to July 1, 2002, will be deemed to qualify to perform attest services on and after July 1, 2002, in a CPA firm holding a firm permit to practice, provided that appropriate continuing education is maintained as provided in subrule 19.4(4).

*b.* A CPA certificate holder who is in the process of attaining the two years of full-time, supervised experience as required to hold an individual permit to practice will be deemed qualified to perform attest services if the certificate holder fully satisfies the requirements outlined in 193A—6.3(79GA,ch55) and thereafter maintains appropriate continuing education. Such experience must be attained in a CPA firm holding a firm permit to practice and under the supervision of a CPA in the following areas of practice:

(1) Application of a variety of auditing procedures and techniques to the usual and customary financial transactions recorded in accounting records;

- (2) Preparation of audit working papers covering the examination of the accounts usually found in accounting records;
- (3) Planning of the program of audit work including the selection of the procedures to be followed;
- (4) Preparation of written explanations and comments on the findings of the examinations and on the content of accounting records; and
- (5) Preparation and analysis of financial statements together with explanations and notes thereon.

**19.2(9) *Firm permits to practice.*** Firm permits to practice are renewed annually and expire June 30, 2002. Each firm must file an initial application for a firm permit to practice for the period beginning July 1, 2002.

*a.* Initial firm permits to practice will be issued for the period beginning July 1, 2002, and ending June 30, 2003.

*b.* An application for an initial firm permit to practice will be deemed timely if hand-delivered or postmarked by July 31, 2002, and, if granted, be effective as of July 1, 2002. Application forms for firm permits to practice will be available by May 15, 2002, and may be filed prior to enactment of the new law.

*c.* CPA firms holding or having held firm permits to practice issued prior to July 1, 2002, are deemed to qualify for a firm permit to practice under the Iowa Accountancy Act of 2001.

*d.* Firm permits to practice will be renewed annually on a fiscal year ending June 30. The initial application fee will be \$50. The annual renewal fee will be \$50.